

BLISS HOTELS (SOUTHPORT) LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2019

BLISS HOTELS (SOUTHPORT) LIMITED
REGISTERED NUMBER: 06190786

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	4	32,104	37,109
Tangible assets	5	2,522,682	977,904
		<u>2,554,786</u>	<u>1,015,013</u>
Current assets			
Stocks		22,348	23,143
Debtors: amounts falling due within one year	6	2,104,645	1,711,822
Cash at bank and in hand		52,142	2,900
		<u>2,179,135</u>	<u>1,737,865</u>
Creditors: amounts falling due within one year	7	(888,843)	(814,076)
		<u>1,290,292</u>	<u>923,789</u>
Net current assets		<u>1,290,292</u>	<u>923,789</u>
Total assets less current liabilities		<u>3,845,078</u>	<u>1,938,802</u>
Creditors: amounts falling due after more than one year	8	(1,440,150)	(111,464)
Provisions for liabilities			
Deferred tax	10	(176,195)	(47,195)
		<u>(176,195)</u>	<u>(47,195)</u>
Net assets		<u><u>2,228,733</u></u>	<u><u>1,780,143</u></u>
Capital and reserves			
Called up share capital		143	143
Profit and loss account		2,228,590	1,780,000
		<u><u>2,228,733</u></u>	<u><u>1,780,143</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 December 2020.

BLISS HOTELS (SOUTHPORT) LIMITED
REGISTERED NUMBER: 06190786

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2019

K R Potter

Director

The notes on pages 3 to 10 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

The company is a private company limited by share capital and registered in England and Wales. The registered office address is Bliss Blakeney, Morston Road, Blakeney, Norfolk, England, NR25 7BG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

As a result of the Coronavirus pandemic and the initial enforced closure of the hotel, the Company has been taking certain measures to ensure that the Company remains in a position where it can continue to meet its forecast liabilities as they fall due.

Steps include: -

- Capitalisation of interest due on loans;
- Enhanced cost reduction measures; and
- Making use of relevant government support including the Coronavirus Job Retention Scheme.

Based on the steps undertaken and with the continued support of the Company's lenders, the financial statements have been prepared on a going concern basis.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.4 Revenue

Turnover comprises amounts receivable from the provision of hotel accommodation, conference facilities, food and beverages, excluding value added tax. Income for accommodation and conferencing facilities is recognised on a daily basis as the customers use the hotel. Food and beverage income is recognised at the point of sale to the customer.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.6 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Long-term leasehold property	-	25 years straight line
Plant and machinery	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.14 Creditors

Short term creditors are measured at the transaction price.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Employees

The average monthly number of employees, including directors, during the year was 117 (2018 - 106).

4. Intangible assets

	Website development £
Cost	
At 1 January 2019	104,171
Additions	7,550
	<hr/>
At 31 December 2019	111,721
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Amortisation	
At 1 January 2019	67,062
Charge for the year	12,555
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At 31 December 2019	79,617
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Net book value	
At 31 December 2019	<u>32,104</u>
At 31 December 2018	<u>37,109</u>

BLISS HOTELS (SOUTHPORT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

5. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost				
At 1 January 2019	969,288	203,413	487,505	1,660,206
Additions	1,634,961	28,425	1,455	1,664,841
At 31 December 2019	2,604,249	231,838	488,960	3,325,047
Depreciation				
At 1 January 2019	310,103	84,039	288,160	682,302
Charge for the year on owned assets	38,772	31,425	49,866	120,063
At 31 December 2019	348,875	115,464	338,026	802,365
Net book value				
At 31 December 2019	2,255,374	116,374	150,934	2,522,682
At 31 December 2018	659,185	119,374	199,345	977,904

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Long-term leasehold property improvements	128,657	-
Plant and machinery	63,702	84,936
Furniture and fittings	42,809	57,079
	235,168	142,015

BLISS HOTELS (SOUTHPORT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Debtors

	2019	2018
	£	£
Trade debtors	61,794	68,445
Amounts owed by group undertakings	1,808,438	1,142,385
Other debtors	52,415	400,003
Prepayments and accrued income	181,998	100,989
	<u>2,104,645</u>	<u>1,711,822</u>

7. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Bank overdrafts	-	64,806
Trade creditors	582,932	231,429
Corporation tax	762	762
Other taxation and social security	95,277	168,090
Obligations under finance lease and hire purchase contracts	60,116	50,974
Other creditors	149,756	298,015
	<u>888,843</u>	<u>814,076</u>

For detail of security see note 8.

8. Creditors: Amounts falling due after more than one year

	2019	2018
	£	£
Bank loans	1,269,804	-
Net obligations under finance leases and hire purchase contracts	170,346	111,464
	<u>1,440,150</u>	<u>111,464</u>

The bank loan is secured by way of a fixed and floating charge over the assets of the company and a cross-guarantee with its parent company. For further details of the cross guarantee see note 11.

Net obligations under finance leases and hire purchase contracts are secured over the assets which they relate to.

All net obligations under finance leases and hire purchase contracts are due within 5 years.

BLISS HOTELS (SOUTHPORT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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9. Loans

Analysis of the maturity of loans is given below:

	2019 £
Amounts falling due 2-5 years	
Bank loans	<u>1,269,804</u>

10. Deferred taxation

	2019 £
At beginning of year	47,195
Charged to profit or loss	129,000
	<u>176,195</u>
At end of year	<u>176,195</u>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	<u>176,195</u>	<u>47,195</u>

11. Contingent liabilities

At the balance sheet date the company had entered into a group cross guarantee in respect of bank loans. At the balance sheet date the total contingent liability attributable to this company amounted to £12,500,000 (2018 - nil).

12. Capital commitments

At 31 December 2019 the Company had capital commitments as follows:

	2019 £	2018 £
Contracted for but not provided in these financial statements	<u>1,195,000</u>	<u>-</u>

BLISS HOTELS (SOUTHPORT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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13. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independent administered fund. Contributions totalling £17,030 (2018 - £3,318) were payable to the fund at the balance sheet date and are included in creditors.

14. Controlling party

The results of the company are included in the consolidated accounts of Bliss Hotels Holdings Limited which are available to the public and may be obtained from Bliss Blakeney, Morston Road, Blakeney, Norfolk, NR25 7BG.

15. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 31 December 2020 by Daryush Farshchi-Heidari (FCA) (Senior statutory auditor) on behalf of Simmons Gainsford LLP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.